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MEMORANDUM FOR: Acting Deputy Director (Administration)  
SUBJECT: Policy for Reduction of Excess Annual Leave

1. PROBLEM

Public Law 102, 83rd Congress, requires Agency heads to take action to eliminate, within a reasonable number of years, annual leave accumulations in excess of 30 days for employees assigned in the United States or of 45 days for employees stationed outside the continental United States.

2. FACTS BEARING ON THE PROBLEM

- a. The number of employees of this Agency who have excess leave balances is relatively small. (Tab A)
- b. The law does not prescribe a method nor set a time limit for the elimination of excess leave.
- c. Other agencies which have issued policies are requiring either reduction by a specified number of days each year or the use of a percentage of the excess each year. (Tab B)

3. DISCUSSION

a. In view of the relatively small numbers of Agency employees with excess leave, the problem is not as acute for this Agency as for those with many long term employees. Moreover, in giving agency heads discretion as to the method and timing of leave reduction, the law appears to favor a liberal attitude toward the problem of reducing excess leave accumulations. A requirement that employees use a set number of days of excess leave each year would result in a rapid initial reduction in the Agency's total excess. The percentage method, on the other hand, would spread the reduction evenly over the period determined to be appropriate and would give all employees the same length of time to reduce their excess. If the period selected were reasonably long, such as ten years, there would be a minimum of compulsion on the individual and a maximum of convenience to the Agency.

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b. Overseas employees who wish to use their leave during return to the United States might find a requirement for annual reduction of excess leave objectionable. Those whose tours of duty were in excess of one year would be compelled to use some excess leave overseas. The Agency would not benefit by this so long as the required amount of reduction was achieved by the end of the total period of reduction.

4. CONCLUSIONS

- a. The policy need not be drastic nor unduly restrictive.
- X b. The percentage method should be used and the period of time for complete elimination of excess leave should be reasonably long.
- X c. Overseas employees should not be compelled to use excess leave overseas if they wish to retain it for use in this country.

5. ACTION RECOMMENDED

It is recommended that:

- a. The maximum period for reduction of excess leave not exceed ten years from 1 January 1954.
- b. Employees stationed in the continental United States, and those overseas who do not intend to use the excess for leave in the continental United States following tours of duty overseas, be required to reduce their excess leave annually at the rate of at least 10%, starting with leave year 1954.
- c. Employees outside the continental United States who intend to use their excess leave in the continental United States following tours of duty overseas be permitted to defer the reduction of their excess leave to such periods of return provided that the percentage of reduction resulting is at the rate of at least 10% per annum, starting with leave year 1954.
- d. The attached proposed Notice [REDACTED] be approved to implement this policy.

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GEORGE E. MELOON  
Personnel Director

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ANNEXES:

1. Excess Annual Leave Figures (Tab A).
2. Policies of Other Agencies (Tab B).

ACTION BY APPROVING AUTHORITY:

Date \_\_\_\_\_

Approved

\_\_\_\_\_  
Acting Deputy Director (Administration)

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